

Date: July 9, 2013

To: Thomas J. Bonfield - City Manager
Through: W. Bowman Ferguson - Deputy City Manager
From: Marvin G. Williams – Director of Public Works
Subject: Contract Amendment for Contract SD-2012-05, Old North Durham Park Infrastructure Improvements

Executive Summary

City Council awarded contract SD-2012-05 to Hine Sitework, Inc. on December 17, 2012 for Infrastructure Improvements in Old North Durham Park. The contract included the furnishing of all materials, labor, equipment, tools, etc. unless otherwise specified, for the complete installation of new and replacement storm drainage pipe and structures, water service, field grading and soil amendments, irrigation, sod, and miscellaneous park amenities. Construction began on February 4, 2013. During the course of construction, field conditions have dictated additional work that was not anticipated as part of the original contract. This additional work represents a significant cost that may exhaust the original contract contingency amount. The Public Works Department recommends expanding the original contract amount by \$59,023.89. This represents an 8% increase over the \$737,055.65 originally authorized expenditure.

Recommendation

The Administration recommends that the City Council authorize the City Manager to expand the established contingency fund in the amount of \$59,023.89; and authorize the City Manager to negotiate change orders provided that the cost of all change orders does not exceed \$155,161.58 and the total project cost does not exceed \$796,079.54.

Background

The City Council adopted resolution no. 9796 on January 17, 2012 establishing the renovations and uses of Old North Durham Park. The resolution sought to have the Department of Public Works address the stormwater and drainage problems within the park and the Department of Parks and Recreation renovate the existing athletic/multi-use field within the park.

The Department of General Services, on behalf of Parks & Recreation, and the Stormwater & GIS Services Division of the Department of Public Works worked together to prepare a construction contract, SD-2012-05, that would fulfill the adopted resolution. City Council awarded this contract to Hine Sitework, Inc. on December 17, 2012. Construction began on February 4, 2013. During the course of construction, field conditions have dictated additional work that was not anticipated as part of the original contract. The additional work included the following major items.

- Water line relocation to resolve an unforeseen conflict between an existing sanitary sewer line and the new storm drainage line.

- Relocation of a sanitary sewer service lateral to accommodate the new storm drainage line.
- Replacement of significant quantities of unsuitable soils on the project site.
- Replacement of additional curb, gutter, sidewalk, accessible ramps, and a catch basin which were damaged by excavation of nearby poor soils.

The cost of the change orders for the additional work totaled \$83,214.74. This represents a significant portion of the original contract contingency amount of \$96,137.69. The Public Works Department recommends expanding the original contract contingency amount by \$59,023.89. This represents an 8% increase over the \$737,055.65 originally authorized expenditure.

The project schedule has also been affected by the unanticipated field conditions as well as additional delays caused by utility relocations performed Duke Energy and PSNC. As a result of these delays the construction contract is 83 calendar days behind schedule. These delays have been outside of the control of the contractor who has worked to minimize their impact to the project schedule. Old North Durham Park is scheduled to reopen in October of this year. Originally the park was scheduled to reopen in August. An updated and detailed project schedule is attached.

Issues and Analysis

An additional \$59,023.89 is requested to expand the original contract contingency. In the event that additional unforeseen work is required to complete construction, the additional contract contingency will facilitate continuation of construction so that work can continue uninterrupted.

Alternatives

The City Council may choose to not approve the request. If additional unforeseen work is required, construction may be delayed until funding for the work can be authorized by the City Council.

Financial Impact

This additional contingency is budgeted for in the adopted Capital Improvements Project Ordinance (#14466) for drainage repairs and site improvements on City owned property, from the following accounts.

4300L045-731900-LK105: \$59,023.89

SDBE Summary

The Department of Equal Opportunity/Equity Assurance does not review contract amendments for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Attachment

1. Anticipated Project Schedule, updated June 3, 2013.